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13 **UNITED STATES DISTRICT COURT**

14 **DISTRICT OF NEVADA**

15) RICHARD GRANICH, Individually and On Behalf) Case No.:
16) of All Others Similarly Situated,)
17) Plaintiff,)
18) -against-)
19)
20) LG.PHILIPS LCD CO., LTD., LG.PHILIPS LCD)
21) AMERICA, INC., SAMSUNG ELECTRONICS)
22) CO., LTD., SAMSUNG ELECTRONICS)
23) AMERICA, INC., NEC CORP., NEC DISPLAY)
24) SOLUTIONS OF AMERICA, INC., NEC LCD)
25) TECHNOLOGIES, LTD., NEC ELECTRONICS)
26) AMERICA, INC., SHARP CORP., SHARP)
27) ELECTRONICS CORP., AU Optronics CORP.,)
28) AU Optronics CORPORATION AMERICA,)
29) CHI MEI OPTOELECTRONICS CORP., CHI MEI)
30) OPTOELECTRONICS USA, INC., INTER-)
31) NATIONAL DISPLAY TECHNOLOGY CO., INC.)
32) INTERNATIONAL DISPLAY TECHNOLOGY)
33) USA INC., HITACHI, LTD., HITACHI AMERICA,)
34) LTD., HITACHI ELECTRONIC DEVICES (USA),)
35) INC., HITACHI DISPLAYS, LTD., TOSHIBA)
36) CORP., TOSHIBA MATSUSHITA DISPLAY)
37) TECHNOLOGY CO., LTD., CHUNGHWA)
38) PICTURE TUBES, LTD., HANNSTAR DISPLAY)
39) CORP., IDT INTERNATIONAL, LTD., OREGON)
40) SCIENTIFIC, INC., SANYO-EPSON IMAGING)
41) DEVICES CORP., and JOHN DOES 1-100)
42) inclusive,)

43) **CLASS ACTION COMPLAINT**

44) **JURY TRIAL DEMANDED**

ROYAL JONES MILES DUNKLEY & WILSON
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Defendants.

Plaintiff, by and through his undersigned attorneys, brings this civil action for damages and injunctive relief, and demands trial by jury, on behalf of himself and all others similarly situated in the various states of the United States named herein (“Class Jurisdictions”). Plaintiff, upon personal knowledge as to his own acts and status, and upon information and belief as to all other matters, alleges the following:

I. INTRODUCTION

1. Plaintiff Richard Granich brings this class action against defendants LG.Philips LCD Co., Ltd., LG.Philips LCD America, Inc., Samsung Electronics Co. Ltd., Samsung Electronics America, Inc., NEC Corp., NEC Display Solutions of America, Inc., NEC LCD Technologies, Ltd., NEC Electronics America, Inc., Sharp Corp., Sharp Electronics Corp., AU Optronics Corp., AU Optronics Corporation America, Chi Mei Optoelectronics Corp., Chi Mei Optoelectronics USA Inc., International Display Technology Co. Ltd., International Display Technology USA Inc., Hitachi Ltd., Hitachi America Ltd., Hitachi Electronic Devices (USA), Inc., Hitachi Displays, Ltd., Toshiba Corp., Toshiba Matsushita Display Technology Co., Ltd., Chunghwa Picture Tubes Ltd., Hannstar Display Corp., IDT International Ltd., Oregon Scientific, Inc., and Sanyo Epson Imaging Devices Corp. (collectively “defendants”) pursuant to the antitrust laws and consumer protection statutes of the following Class Jurisdictions:

Alaska	Alaska Stat. §§ 45.50.471, <i>et seq.</i>
Arizona	Ariz. Rev. Stat. §§ 44-1401 <i>et seq.</i>
Arkansas	Ark. Stat. Ann. §§ 4-75-201 <i>et seq.</i> and 4-88-101 <i>et seq.</i>
California	Cal. Bus. & Prof. Code §§ 16700 <i>et seq.</i> and 17200 <i>et seq.</i>
District of Columbia	D.C. Code §§ 28-4501 <i>et seq.</i> and 28-3901 <i>et seq.</i>
Florida	Fla. Stat. §§ 501.201 <i>et seq.</i>

1	Georgia	Ga. Code Ann. §§ 10-1-390 <i>et seq.</i>
2	Hawaii	Haw. Rev. Stat. §§ 480-1 <i>et seq.</i>
3	Idaho	Idaho Code §§ 48-601 <i>et seq.</i>
4	Iowa	Iowa Rev. Stat. §§ 553.1 <i>et seq.</i>
5	Kansas	Kan. Stat. Ann. §§ 50-101, <i>et seq.</i> , 50-623 <i>et seq.</i> , and 50-626(b)
6	Louisiana	La. Rev. Stat. §§ 51:1401 <i>et seq.</i>
7	Maine	10 M.R.S.A. §§ 1101 <i>et seq.</i> 5 M.R.S.A. §§ 205-A <i>et seq.</i> and 207
8	Massachusetts	Mass. Gen. Laws ch. 93A §§ 1 <i>et seq.</i>
9	Michigan	Mich. Comp. Laws Ann. §§ 445.772 <i>et seq.</i>
10	Minnesota	Minn. Stat. §§ 325D.49 <i>et seq.</i>
11	Mississippi	Miss. Code Ann. §§ 75-21-1 <i>et seq.</i>
12	Montana	Mont. Code Ann. §§ 30-14-101 <i>et seq.</i> and 30-14-201 <i>et seq.</i>
13	Nebraska	Neb. Rev. Stat. §§ 59-801 <i>et seq.</i> and 59-1601 <i>et seq.</i>
14	Nevada	Nev. Rev. Stat. §§ 598A <i>et seq.</i> and 598.0903 <i>et seq.</i>
15	New Hampshire	N.H. Rev. Stat. §§ 358-A:1 <i>et seq.</i>
16	New Mexico	N.M. Stat. Ann. §§ 57-1-1 <i>et seq.</i> and 57-12-3 <i>et seq.</i>
17	New York	N.Y. Gen. Bus. Law §§ 340 <i>et seq.</i> and 349 <i>et seq.</i>
18	North Carolina	N.C. Gen. Stat. §§ 75-1 <i>et seq.</i>
19	North Dakota	N.D. Cent. Code §§ 51-08.1-01 and 51-15-02
20	Puerto Rico	10 LPRA §§ 257 <i>et seq.</i> 32 LPRA §§ 5141
21	Rhode Island	R.I. Gen. Laws §§ 6-13.1-1 <i>et seq.</i>
22	South Dakota	S.D. Cod. Laws Ann. §§ 37-1 <i>et seq.</i>
23	Tennessee	Tenn. Code Ann. §§ 47-25-101 <i>et seq.</i> , 47-25-106 <i>et seq.</i> and 47-18-104
24		
25		
26		
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28		

1	Utah	Utah Code Ann. §§ 13-11-1 <i>et seq.</i> , 76-10-919 <i>et seq.</i> and 76-10-926 <i>et seq.</i>
2	Vermont	Vt. Stat. Ann. Tit. 9 §§ 2451-2480
3	West Virginia	W. Va. Code §§ 47-18-1 <i>et seq.</i> , 46A-6-101 <i>et seq.</i> and 47-11A-1 <i>et seq.</i>
4	Wisconsin	Wis. Stat. §§ 100.20 and 133.01 <i>et seq.</i>

5 2. This case arises out of a conspiracy among all defendants and their coconspirators
 6 with the purpose and effect of fixing prices on thin film transistor liquid crystal displays ("TFT-
 7 LCDs") to be exported to the United States and worldwide, and committing other unlawful and
 8 deceptive practices designed to inflate the prices of TFT-LCDs sold to plaintiff and other
 9 purchasers in the United States and elsewhere.
 10

11 3. Defendants have established an illegal cartel that is ongoing today and that has
 12 deliberately targeted and severely burdened consumers in the United States. The cartel and illegal
 13 conspiracy has existed since at least 2002. The cartel has affected hundreds of millions of dollars
 14 of commerce in TFT-LCD products sold in the United States. The conspiracy has included
 15 communications and meetings in which defendants have agreed to limit competition, control
 16 supply and fix prices.
 17

18 **II. JURISDICTION AND VENUE**

19 4. This Court has jurisdiction over plaintiff's Complaint pursuant to 28 U.S.C. §
 20 1332(d), in that this is a class action in which the matter or controversy exceeds the sum of
 21 \$5,000,000, exclusive of interest and costs, and in which some members of the proposed class are
 22 citizens of a state different from the defendants.
 23

24 5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 because
 25 defendants are subject to personal jurisdiction in this District and because a substantial part of the
 26 events or omissions giving rise to the claims occurred in this District.
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 28

1 6. This action is commenced on behalf of indirect purchasers of defendants' TFT-LCD
2 products in the Class Jurisdictions.

3 7. Without limiting the generality of the foregoing, defendants (directly or through
4 agents who were at the time acting with actual and/or apparent authority and within the scope of
5 such authority) have:

- 6 (a) transacted business in each of the Class Jurisdictions;
- 7 (b) contracted to supply or obtain services or goods in each of the Class
8 Jurisdictions;
- 9 (c) intentionally availed themselves of the benefits of doing business in each of
10 the Class Jurisdictions;
- 11 (d) produced, promoted, sold, marketed or distributed their products or services
12 in each of the Class Jurisdictions and, thereby have purposefully profited
13 from their access to the markets in each of the Class Jurisdictions;
- 14 (e) caused tortious damage by act or omission in each of the Class Jurisdictions;
- 15 (f) cause tortious damage in each of the Class Jurisdictions by acts or omissions
16 committed outside such jurisdiction while (i) regularly doing or soliciting
17 business in such jurisdictions, and/or (ii) engaging in other persistent courses
18 of conduct within such jurisdictions and/or (iii) deriving substantial revenue
19 from goods used or consumed or services rendered in such jurisdictions;
- 20 (g) committed acts and omissions which defendants knew or should have known
21 would cause damage (and, in fact, did cause damage) in each of the Class
22 Jurisdictions to Plaintiff and members of the Class while (i) regularly doing
23 or soliciting business in such jurisdictions, and/or (ii) engaging in other
24 persistent courses of conduct within such jurisdictions and/or (iii) deriving
25 substantial revenue from goods used or consumed or services rendered in
26 such jurisdictions; or
- 27 (h) otherwise had the requisite minimum contact with each of the Class
28 Jurisdictions, such that, under the circumstances, it is fair and reasonable to
 require defendants to come to this Court to defend this action.

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III. PARTIES

PLAINTIFF

8. Plaintiff Richard Granich is a resident of Henderson, Nevada. He indirectly purchased a TFT-LCD product that was manufactured, distributed and/or sold by one or more defendants from 2002 to the present, and was injured by the anticompetitive conduct alleged in this Complaint.

DEFENDANTS

9. Defendant LG.Philips LCD Co., Ltd. (“LG.Philips”) is a Korean corporation with its principal executive offices in Seoul, Korea. LG.Philips is a leading manufacturer and supplier of the thin film transistor liquid crystal display (“TFT-LCD”) panels and is one of the world’s leaders in this industry. It produces TFT-LCD panels for television, monitors, computer notebooks, mobile phones and various other applications that require a screen display.

10. Defendant LG.Philips LCD America, Inc., a subsidiary of LG.Philips, has its place of business at 150 East Brokaw Road, San Jose, California 95112.

11. Defendant Samsung Electronics Co., Ltd. ("Samsung") is a Korean corporation based in Seoul, Korea. Samsung is a global giant in the industries of electronics and digital technology. Samsung also manufactures and supplies TFT-LCD panels for various applications in the United States and throughout the world.

12. Defendant Samsung Electronics America, Inc. is a wholly-owned subsidiary of Samsung. It directs business in the United States as Samsung Electronics America, Inc. at 105 Challenger Road, Ridgefield Park, New Jersey 07660.

13. Defendant NEC Corp. ("NEC") is a Japanese corporation with headquarters in Tokyo, Japan. NEC is a leading provider of advanced IT services and network technology to businesses, communications services providers, and government entities. NEC develops and

1 produces a range of TFT-LCD for use in industrial and medical equipment displays, personal
2 computer monitors, and mobile phones.

3 14. Defendant NEC Display Solutions of America, Inc., a wholly-owned subsidiary of
4 NEC, produces and markets LCD products and technologies. Its principal place of business is at
5 500 Park Boulevard, Suite 1100, Itasca, Illinois 60143.

6 15. Defendant NEC LCD Technologies, Ltd. (“NEC LCD”), based in Kanagawa, Japan,
7 focuses on research, development, design, manufacture, sale, and maintenance of color and
8 monochrome active matrix (AM) LCD modules for corporate customers. AM-LCD modules
9 include TFT-LCD technologies.

10 16. Defendant NEC Electronics America, Inc. is a wholly-owned subsidiary of NEC
11 Electronics Corp., which is an independent entity from NEC Corp. but also based in Tokyo, Japan.
12 The main business for NEC Electronics America is the development, manufacturing, and sale of
13 semiconductors. Additionally, it also serves as the sales and marketing channel in the Americas for
14 industrial active-matrix (AM) LCD module from NEC LCD Technologies.
15

16 17. Defendant Sharp Corp. (“Sharp”) is a Japanese corporation based in Osaka, Japan.
17 Its business activities include manufacturing and producing electronic products for consumer and
18 office use. Sharp is one of the leading producers of LCD televisions in the world. Its line of
19 products also incorporate the use of TFT-LCD panels.

20 18. Defendant Sharp Electronics Corp. is the U.S. sales and marketing subsidiary of
21 Sharp in Japan. Its principal place of business is at Sharp Plaza, Mahwah, New Jersey 07430.

22 19. Defendant AU Optronics Corp. (“AUO”) is a corporation with headquarters in
23 Hsinchu, Taiwan. The company was first incorporated as Acer Display Technology, Inc. in 1996,
24 but merged with Unipac in 2001 to become AUO. Its main line of business is in developing and
25 manufacturing a wide range of TFT-LCD panels used in computer products, consumer electronics
26 products, and television sets.

1 20. Defendant AU Optronics Corporation America is a wholly-owned subsidiary of
2 AOU in the United States. Its principal place of business is at 9720 Cypresswood Drive, Suite 241,
3 Houston, TX 77070.

4 21. Defendant Chi Mei Optoelectronics Corp. ("CMO") is a Taiwanese corporation
5 headquartered at Tainan Science-based Industrial Park, Taiwan. CMO is one of the world's leading
6 TFT-LCD company. Its key products are large-size TFT-LCDs for notebook, desktop monitor, and
7 TV applications.

8 22. Defendant Chi Mei Optoelectronics USA, Inc. is a subsidiary of CMO in the United
9 States, doing business at 101 Metro Drive Suite 510, San Jose, California 95110.

10 23. Defendant International Display Technology Co., Ltd. ("IDTech") is a joint
11 company created by Taiwan's Chi Mei Optoelectronics Corporation (85%) and Japan's IBM Corp.
12 (15%). IDTech, headquartered in Japan, develops and manufactures large-screen, high-resolution
13 TFT-LCD products.

14 24. Defendant International Display Technology USA Inc. ("IDTech USA") is a
15 wholly owned and controlled subsidiary of CMO in the United States, doing business at 101 Metro
16 Drive, Suite 510, San Jose, California 95110.

17 25. Defendant Hitachi, Ltd. ("Hitachi") is a Japanese corporation based in Tokyo,
18 Japan. It is one of Japan's biggest diversified manufacturer of electronics and electrical products.
19 The company offers a wide range of systems, products and services in market sectors, including
20 information systems, electronic devices, power and industrial systems, consumer products,
21 materials and financial services.

22 26. Defendant Hitachi America, Ltd. is a wholly-owned subsidiary of Hitachi that
23 markets and manufactures a broad range of electronics, computer systems and products, consumer
24 electronics and semiconductors. It also provides industrial equipment and services throughout
25 North America. It is located at 50 Prospect Ave., Tarrytown, New York 01591.

1 27. Defendant Hitachi Electronic Devices (USA), Inc. is a subsidiary of Hitachi in the
2 United States that distributes LCDs across North and South America. It conducts business at 575
3 Mauldin Road, Greenville, South Carolina 29607.

4 28. Defendant Hitachi Displays Ltd. is a fully owned subsidiary of Hitachi that
5 facilitates the development, manufacturing and sales of display device. It manufactures a broad
6 range of LCD, including TFT-LCD, products for equipment manufacturers. Its main office is in
7 Berkshire, United Kingdom.

8 29. Defendant Toshiba Corp. ("Toshiba"), headquartered in Tokyo, Japan, is a
9 developer and manufacturer of high technology, including advanced electronic and electrical
10 products, that penetrates information and communications equipment and systems, Internet-based
11 solutions and services, electronic components and materials, power systems, industrial and social
12 infrastructure systems, and household appliances. Its LCD business is embedded within its product
13 segment of electrical devices.

14 30. Defendant Toshiba Matsushita Display Technology Co., Ltd. ("TMDisplay") is a
15 Tokyo-based joint venture company of Toshiba and Matsushita Electric Industrial Co., Ltd. that
16 focuses on the LCD business. TMDisplay is one of the leading manufacturers of TFT-LCD
17 products, specifically in the mobile arena.

18 31. Defendant Chunghwa Picture Tubes Ltd. ("CPT"), a Taiwanese corporation, is a
19 global manufacturer of display technologies. CPT has two main lines of products: TFT-LCD and
20 cathode ray tube (CRT) technologies.

21 32. Defendant Hannstar Display Corp. ("Hannstar") is a Taiwanese corporation that
22 specializes in the manufacturing of TFT-LCD products for notebook computer displays and
23 desktop computer monitors. Their customers include leading electronics companies in Taiwan and
24 overseas.

1 33. Defendant IDT International Ltd. ("IDT") is a Hong Kong-based company that
2 develops, manufactures and distributes consumer electronic products—including LCD,
3 telecommunications, digital media and electronic learning products. One of the company's most
4 recognizable brand is "Oregon Scientific."

5 34. Defendant Oregon Scientific, Inc. is the U.S. branch of Oregon Scientific Global
6 Distribution, Ltd. and a wholly-owned subsidiary of IDT. It conducts marketing and distribution
7 for IDT. The U.S. office is located at 19861 SW 95th Avenue, Tualatin, Oregon 97062.

8 35. Defendant Sanyo Epson Imaging Devices Corp. ("Sanyo-Epson"), is a Japan-based
9 joint venture of Seiko Epson Corp. and Sanyo Electric Co., Ltd.. It is in the business of
10 development, production and sales of STN LCDs, MD-TFD LCDs, Amorphous Silicon TFT LCDs
11 and Low-Temperature Polysilicon TFTs.

13 36. Each of these defendants, directly and through affiliates that they dominate and
14 control in this country and outside the United States, is engaged in the business of manufacturing
15 and selling TFT-LCDs in the United States and throughout the world.

16 37. Each of these defendants, directly and through affiliates that they dominate and
17 control in this country and outside the United States, has colluded to control output and set
18 artificial prices for TFT-LCDs pursuant to illegal horizontal agreements. These horizontal
19 practices were designed to, and in fact did, have a substantial and adverse impact in the United
20 States.

21 38. The acts charged in this Complaint, as having been committed by defendants, were
22 authorized, ordered, or done by their officers, agents, employees, or representatives, while actively
23 engaged in the management of defendants' business or affairs, and continue to the present day.

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IV. CLASS ACTION ALLEGATIONS

39. Plaintiff brings this action on behalf of himself and as a class action under the provisions of Rule 23 of the Federal Rules of Civil Procedure on behalf of all members of the following class:

All persons or entities in a Class Jurisdiction who indirectly purchased TFT-LCDs that was manufactured or distributed by any of defendants from 2002 to the present. Excluded from the class are all governmental entities, defendants, their co-conspirators, and their respective subsidiaries and affiliates.

40. Members of the class are numerous and joinder is impracticable.

41. Plaintiff's claims are typical of the members of the class. Plaintiff and all members of the class were damaged by the same wrongful conduct by defendants.

42. Plaintiff will fairly and adequately protect and represent the interests of the class. The interests of plaintiff are coincident with, and not antagonistic to, those of the class.

43. Plaintiff is represented by counsel experienced and competent in the prosecution of complex class action and antitrust litigation.

44. Questions of law and fact common to the members of the class predominate over questions, if any, that may affect only individual members because defendants have acted on grounds generally applicable to each of the entire class. Such generally applicable conduct is inherent in defendants' collusion.

45. Questions of law and fact common to the class include:

- (a) whether defendants combined, agreed, and conspired among themselves to fix, maintain, or stabilize prices of and control exports for TFT-LCD;
- (b) the existence and duration of the horizontal agreements alleged in this Complaint to fix, maintain, or stabilize prices of, and control exports for, TFT-LCD;
- (c) whether each defendant was a member of, or participant in, the combination and/or conspiracy alleged in this Complaint;

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1 (d) whether and to what extent the conduct of defendants caused injury to the
 2 business or property of plaintiff and the class; and, if so, the appropriate
 3 measure of damages;
 4 (e) whether defendants' agents, officers or employees participated in telephone
 5 calls and meetings in furtherance of the conspiracy alleged herein; and
 6 (f) whether plaintiff and members of the class are entitled to declaratory and/or
 7 injunctive relief.

8 46. Class action treatment is the superior (if not the only) method for the fair and
 9 efficient adjudication of this controversy, in that, among other things, such treatment will permit a
 10 large number of similarly situated persons to prosecute their common claims in a single forum
 11 simultaneously, efficiently, and without the unnecessary duplication of evidence, effort, and
 12 expense that numerous individual actions would engender. The benefits of proceeding through the
 13 class mechanism, including providing injured persons or entities with a method for obtaining
 14 redress on claims that it might not be practicable to pursue individually, substantially outweigh the
 15 difficulties, if any, that may arise in management of this class action.

16 **V. TRADE AND COMMERCE**

17 47. During the period of this Complaint, the conduct of defendants has taken place in
 18 and/or affected the interstate and foreign trade and commerce of the United States.

19 48. The conduct of defendants has directly, substantially and foreseeably restrained such
 20 trade and commerce.

21 **VI. FACTUAL BACKGROUND**

22 49. LCD, or liquid crystal display, is a thin, flat display device that is used in
 23 televisions, laptop computers, mobile phones, microwaves and numerous other electronic and
 24 industrial applications. Thin film transistor LCD, or TFT-LCD, is a variant of LCD that uses
 25 advanced transistor technology to improve the image quality of the LCD.

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1 50. The TFT-LCD industry has high barriers to entry due to the capital intensive nature
 2 of the display industry and the high volumes of production required to achieve economies of scale.
 3 The small number of TFT-LCD manufacturers is concentrated in Asia--specifically Korea, Japan,
 4 China and Taiwan.

5 51. The manufacture of TFT-LCD is a multi-billion dollar a year industry worldwide.
 6 The United States market for TFT-LCD potentially exceeds \$1 billion per year. The conspiracy
 7 here involving TFT-LCD has affected hundreds of millions of dollars of commerce in products
 8 found in the United States.

9 52. Defendants are manufacturers of TFT-LCDs for bulk sales to end-brand customers
 10 or merchants who will incorporate the LCDs into their products before selling the various products
 11 under their own brands. For example, LG.Philips's biggest end-brand customers include many of
 12 the world's leading computer and television manufacturers such as Dell, Hewlett-Packard, Apple,
 13 Toshiba, LG Electronics, and Philips Electronics.

15 53. The global market for TFT-LCD is over \$50 billion in 2005. Unit sales across the
 16 TFT-LCD industry increased from 70 million units in 1999 to 941 million units in 2005,
 17 accounting for a market revenue growth of \$14 billion to \$61 billion respectively in the same
 18 period.

19 54. During the period of 2002 until the present in this Complaint, the international
 20 market for TFT-LCD was dominated by the defendants.

21 55. In December 2006, competition authorities from various countries, including the
 22 United States Department of Justice and the European Commission, began investigating price
 23 collusion and other anticompetitive behavior in the TFT-LCD market.

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26 ////

1 56. The European Commission has stated that "The purpose of this investigation is to
 2 ascertain whether there is evidence of a cartel agreement and related practices concerning price
 3 fixing for [TFT-LCD] products which could be an infringement of E.C. Treaty rules on restrictive
 4 business practices and cartels."

5 57. On Friday, December 8, 2006, the Korean Fair Trade Commission visited the
 6 offices of LG Philips LCD in Seoul, Korea. LG Philips also subsequently announced that officials
 7 from the Korean Fair Trade Commission and the Japanese Fair Trade Commission had visited LG
 8 Philips' offices in Seoul and Tokyo, respectively, in connection with "possible anticompetitive
 9 conduct." The Korean Trade Commission also probed Samsung companies as part of international
 10 efforts investigating anticompetitive practices in the LCD industry. The Japanese Fair Trade
 11 Commission is also investigating LG companies, as well as Japan-based NEC Corp. and Sharp
 12 Corp.

14 58. There is also evidence that Defendants colluded to artificially restrict supply of
 15 TFT-LCD products. A "Crystal Cycle" is an industry term that refers to shortages in the supply-
 16 and-demand cycle for LCD displays. A recent *Infoworld* article cited an industry analyst, Chris
 17 Connery of DisplaySearch, as saying that, "the talk in the industry is that the manufacturers are
 18 looking to create an artificial Crystal Cycle." Further, at a recent conference in Taiwan, a leading
 19 producer of LCD glass stated publicly that the industry should collectively look at cutting back on
 20 production from 100 percent to at least 85 percent. Otherwise, if supply outpaces demand,
 21 manufacturers will be forced to cut prices. A subsequent *Infoworld* article noted that the unnamed
 22 Taiwanese executive came from defendant AUO.

24 59. Two other Taiwanese companies, AU Optoelectronics Corp. and Chi Mei
 25 Optoelectronics Corp., are also under investigation.

26 60. Samsung has been at the epicenter of other price fixing investigations. Beginning in
 27 November 2006, Samsung acknowledged European regulators had raided it over alleged price-

1 fixing of static random access memory products. And executives from Samsung Semiconductor,
 2 Inc., along with executives from other companies, have pled guilty to felony charges of price fixing
 3 in the market for dynamic random access memory.

4 61. The international competition authorities investigations into the LCD market stem
 5 directly from the prior investigations mentioned above.

6 62. Upon information and belief, defendants formed a cartel in 2002 in order to reduce
 7 the rate of decline of prices for TFT-LCDs.

8 63. Upon information and belief, the cartel implemented was designed to reduce
 9 production of TFT-LCDs, to stabilize or fix prices, and to allocate markets.

10 64. Upon information and belief, during the period of the charged combination and
 11 conspiracy, defendants have participated in meetings and conversations in Asia and elsewhere in
 12 which the prices, volumes of production, sales and exports to the United States, and market for
 13 TFT-LCDs were discussed and agreed upon. These meetings have also been coordinated with
 14 trade association meetings for associations in which defendants are members.

15 65. Upon information and belief, at the meetings described above, and during the period
 16 of the conspiracy, defendants and others agreed to and did eliminate, suppress, and limit
 17 competition, including by:

- 18 (a) discussing the production volumes and prices of TFT-LCDs in the United
 States and elsewhere;
- 19 (b) agreeing to control the supply of TFT-LCDs in the United States and
 elsewhere;
- 20 (c) agreeing to increase and maintain prices of TFT-LCDs in the United States
 and elsewhere;
- 21 (d) agreeing to control the worldwide market for TFT-LCDs.

22 66. Despite some price decreases during this period, the collusive arrangements of the
 23 cartel have continued to maintain prices well above those of a competitive market.

67. The cartel established by defendants continues its illegal conduct today.

VII. IMPACT ON RELEVANT MARKETS

68. During the conspiracy, prices of TFT-LCD have not followed the laws of supply and demand existing in a competitive market.

69. Due to defendants' price fixing and market allocation activity, price increases have taken place in TFT-LCDs despite reductions in the cost of production.

VIII. BENEFIT TO DEFENDANTS

70. Each defendant has substantially benefitted from its participation in this illegal price-fixing conspiracy.

IX. INJURY TO PLAINTIFF

71. Defendants' combination and conspiracy has had the following effects, among others:

- (a) The price of TFT-LCD products purchased by plaintiff and the class has been fixed, raised, maintained and stabilized at artificial and non-competitive levels; and
- (b) Competition in the sale of TFT-LCD has been restrained.

72. During the period covered by this Complaint, plaintiff has purchased TFT-LCD from purchasers of TFT-LCD manufactured by defendants, and thus require injunctive relief. By reason of the alleged violations of the antitrust and consumer protection laws, plaintiff paid more for TFT-LCD than he would have paid in the absence of the illegal combination and conspiracy, and as a result he has been injured and has suffered damages in an amount presently undetermined.

X. VIOLATIONS ALLEGED

73. Each preceding paragraph is incorporated herein as if set forth in whole.

25 74. Beginning at least as early as 2002, and continuing until the present, the exact dates
26 being unknown to plaintiff, defendants engaged in a continuing agreement, understanding and
27 conspiracy in restraint of trade to artificially raise, fix, maintain or stabilize prices of, and to control

1 and restrict output of, TFT-LCD panels in the United States in violation of Alaska Stat. §§
 2 45.50.471, *et seq.*, Ariz. Rev. Stat. §§ 44-1401 *et seq.*, Ark. Stat. Ann. §§ 4-75-201 *et seq.* and 4-
 3 88-101 *et seq.*, Cal. Bus. & Prof. Code §§ 16700 *et seq.* and 17200 *et seq.*, D.C. Code §§ 28-4501
 4 *et seq.* and 28-3901 *et seq.*, Fla. Stat. §§ 501.201 *et seq.*, Ga. Code Ann. §§ 10-1-390 *et seq.*, Haw.
 5 Rev. Stat. §§ 480-1 *et seq.*, Idaho Code §§ 48-601 *et seq.*, Iowa Rev. Stat. §§ 553.1 *et seq.*, Kan.
 6 Stat. Ann. §§ 50-101, *et seq.*, 50-623 *et seq.*, and 50-626(b), La. Rev. Stat. §§ 51:1401 *et seq.*, 10
 7 M.R.S.A. §§ 1101 *et seq.*, 5 M.R.S.A. §§ 205-A *et seq.* and 207, Mass. Gen. Laws ch. 93A §§ 1 *et*
 8 *seq.*, Mich. Comp. Laws Ann. §§ 445.772 *et seq.*, Minn. Stat. §§ 325D.49 *et seq.*, Miss. Code
 9 Ann. §§ 75-21-1 *et seq.*, Mont. Code Ann. §§ 30-14-101 *et seq.* and 30-14-201 *et seq.*, Neb. Rev.
 10 Stat. §§ 59-801 *et seq.* and 59-1601 *et seq.*, Nev. Rev. Stat. §§ 598A *et seq.* and 598.0903 *et seq.*,
 11 N.H. Rev. Stat. §§ 358-A:1 *et seq.*, N.M. Stat. Ann. §§ 57-1-1 *et seq.* 57-12-3, N.Y. Gen. Bus. Law
 12 §§ 340 *et seq.* and 349 *et seq.*, N.C. Gen. Stat. §§ 75-1 *et seq.*, N.D. Cent. Code §§ 51-08.1-01 and
 13 51-15-02, 10 LPRA §§ 257 *et seq.*, 32 LPRA §§ 5141, R.I. Gen. Laws §§ 6-13.1-1 *et seq.*, S.D.
 14 Cod. Laws Ann. §§ 37-1 *et seq.*, Tenn. Code Ann. §§ 47-25-101 *et seq.*, 47-25-106 *et seq.* and 47-
 15 18-104, Utah Code Ann. §§ 13-11-1 *et seq.*, 76-10-919 *et seq.* and 76-10-926 *et seq.*, Vt. Stat. Ann.
 16 Tit. 9 §§ 2451-2480, W. Va. Code §§ 47-18-1 *et seq.*, 46A-6-101 *et seq.* and 47-11A-1 *et seq.*, and
 17 Wis. Stat. §§ 100.20 and 133.01 *et seq.*.
 18

19 75. The contract, combination and conspiracy consisted of a continuing agreement,
 20 understanding and concert of action among the defendants, the substantial terms of which were to
 21 fix, raise and maintain, or stabilize prices for, and to control and restrict output for, TFT-LCD
 22 panels in the United States.
 23

24 76. In formulating and effectuating the contract, combination or conspiracy, defendants
 25 did those things that they combined and conspired to do, including, among other things:

26 (a) agreeing to charge prices at certain levels and otherwise to fix, increase,
 27 maintain and/or stabilize prices of TFT-LCD panels sold in the United States;
 28

- (b) exchanging information on prices and sales volumes of TFT-LCD panels sold;
- (c) agreeing on the reduction of production capacity;
- (d) monitoring and implementing of the arrangements among cartel members; and
- (e) selling TFT-LCD panels at the agreed-upon prices.

77. The activities described above have been engaged in by defendants for the purpose of effectuating the unlawful arrangements to fix, maintain, raise and/or stabilize prices of TFT-LCD panels.

XI. UNJUST ENRICHMENT

78. Plaintiff incorporates and realleges, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

79. Defendants have been unjustly enriched through overpayment by plaintiff and the class and the resulting profits.

80. Under common law principles of unjust enrichment, defendants should not be permitted to retain the benefits conferred via overpayments by plaintiff and the class.

81. Plaintiff and the class are entitled to a constructive trust from such overpayments resulting from defendants' unlawful, unjust, unfair and inequitable conduct. Plaintiff and the class may make claims on a *pro rata* basis for restitution.

XII. THE NEED FOR INJUNCTIVE RELIEF

82. It is in the public interest to enjoin defendants from continuing to operate a conspiracy and combine to fix the prices of TFT-LCDs.

83. Plaintiff and the class will continue to be injured by defendants' ongoing conduct in violation of the antitrust laws of the United States in the absence of injunctive relief.

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1 **XIII. PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff prays:

3 84. That the Court determine that this action may be maintained as a class action
 4 pursuant to Rule 23(b)(2) and (3) of the Federal Rules of Civil Procedure and direct that reasonable
 5 notice of this action, as provided by Rule 23(c)(2) of the Federal Rules of Civil Procedure, be given
 6 to all members of the class;

7 85. That the unlawful combination and conspiracy alleged herein be adjudged and
 8 decreed to be a deceptive trade practice and/or an unreasonable restraint of trade or commerce in
 9 violation of Alaska Stat. §§ 45.50.471, *et seq.*, Ariz. Rev. Stat. §§ 44-1401 *et seq.*, Ark. Stat. Ann.
 10 §§ 4-75-201 *et seq.* and 4-88-101 *et seq.*, Cal. Bus. & Prof. Code §§ 16700 *et seq.* and 17200 *et*
 11 *seq.*, D.C. Code §§ 28-4501 *et seq.* and 28-3901 *et seq.*, Fla. Stat. §§ 501.201 *et seq.*, Ga. Code
 12 Ann. §§ 10-1-390 *et seq.*, Haw. Rev. Stat. §§ 480-1 *et seq.*, Idaho Code §§ 48-601 *et seq.*, Iowa
 13 Rev. Stat. §§ 553.1 *et seq.*, Kan. Stat. Ann. §§ 50-101, *et seq.*, 50-623 *et seq.*, and 50-626(b), La.
 14 Rev. Stat. §§ 51:1401 *et seq.*, 10 M.R.S.A. §§ 1101 *et seq.*, 5 M.R.S.A. §§ 205-A *et seq.* and 207,
 15 Mass. Gen. Laws ch. 93A §§ 1 *et seq.*, Mich. Comp. Laws Ann. §§ 445.772 *et seq.*, Minn. Stat. §§
 16 325D.49 *et seq.*, Miss. Code Ann. §§ 75-21-1 *et seq.*, Mont. Code Ann. §§ 30-14-101 *et seq.* and
 17 30-14-201 *et seq.*, Neb. Rev. Stat. §§ 59-801 *et seq.* and 59-1601 *et seq.*, Nev. Rev. Stat. §§ 598A *et*
 18 *seq.* and 598.0903 *et seq.*, N.H. Rev. Stat. §§ 358-A:1 *et seq.*, N.M. Stat. Ann. §§ 57-1-1 *et seq.*
 19 and 57-12-3, N.Y. Gen. Bus. Law §§ 340 *et seq.* and 349 *et seq.*, N.C. Gen. Stat. §§ 75-1 *et seq.*,
 20 N.D. Cent. Code §§ 51-08.1-01 and 51-15-02, 10 LPRA §§ 257 *et seq.*, 32 LPRA §§ 5141, R.I.
 21 Gen. Laws §§ 6-13.1-1 *et seq.*, S.D. Cod. Laws Ann. §§ 37-1 *et seq.*, Tenn. Code Ann. §§ 47-25-
 22 101 *et seq.*, 47-25-106 *et seq.* and 47-18-104, Utah Code Ann. §§ 13-11-1 *et seq.*, 76-10-919 *et seq.*
 23 and 76-10-926 *et seq.*, Vt. Stat. Ann. Tit. 9 §§ 2451-2480, W. Va. Code §§ 47-18-1 *et seq.*, 46A-6-
 24 101 *et seq.* and 47-11A-1 *et seq.*, and Wis. Stat. §§ 100.20 and 133.01 *et seq.*, granting standing to
 25 indirect purchasers for antitrust injuries, and that the Court award plaintiff and the Class (i) actual
 26 27 28

1 damages in an amount to be proved at trial as a result of the wrongful conduct alleged, plus interest
2 and costs; (ii) treble damages, where appropriate, under the indirect purchaser laws of the Class
3 Jurisdictions; and (iii) all other damages available under the laws of the Class Jurisdictions;

4 86. That defendants be enjoined from continuing the currently ongoing unlawful
5 combination and conspiracy alleged herein and other appropriate injunctive relief;

6 87. That plaintiff be awarded restitution as a result of defendants' acts of unjust
7 enrichment;

8 88. That plaintiff and the class recover their costs of this suit, including reasonable
9 attorneys' fees, as provided by law; and

10 89. That plaintiff and the class be granted such other, further and different relief as the
11 nature of the case may require or as may be deemed just and proper by this Court.

12 **JURY DEMAND**

13 Plaintiff demands a trial by jury, pursuant to Rule 38(b) of the Federal Rules of Civil
14 Procedure, of all issues triable of right by a jury.

15 DATED this 8th day of March, 2007.

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